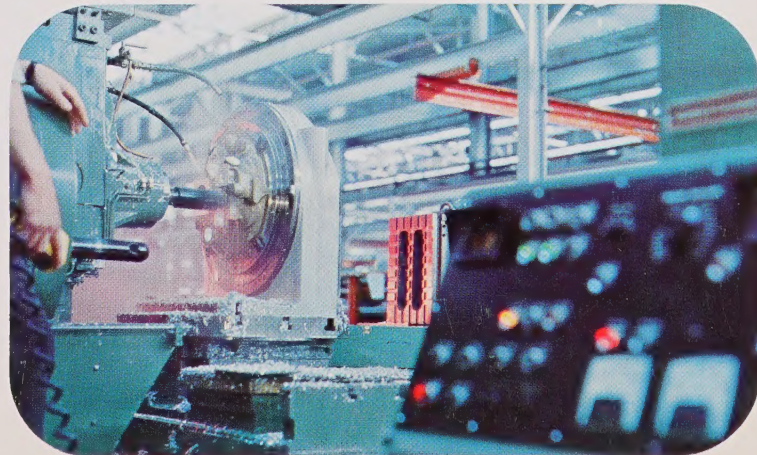
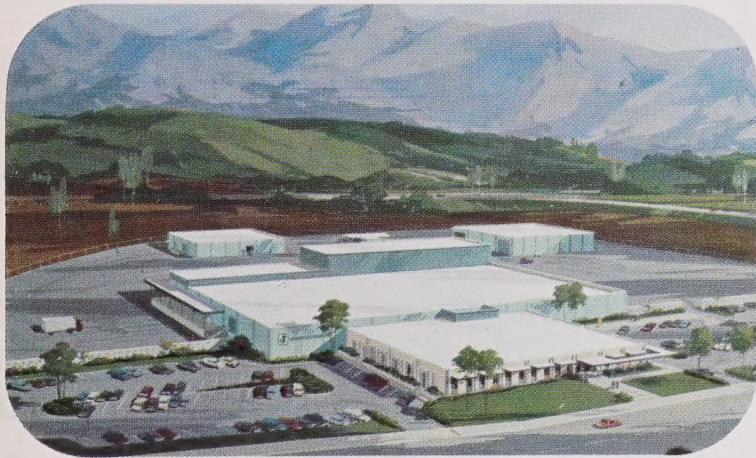


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ANNUAL REPORT 1966

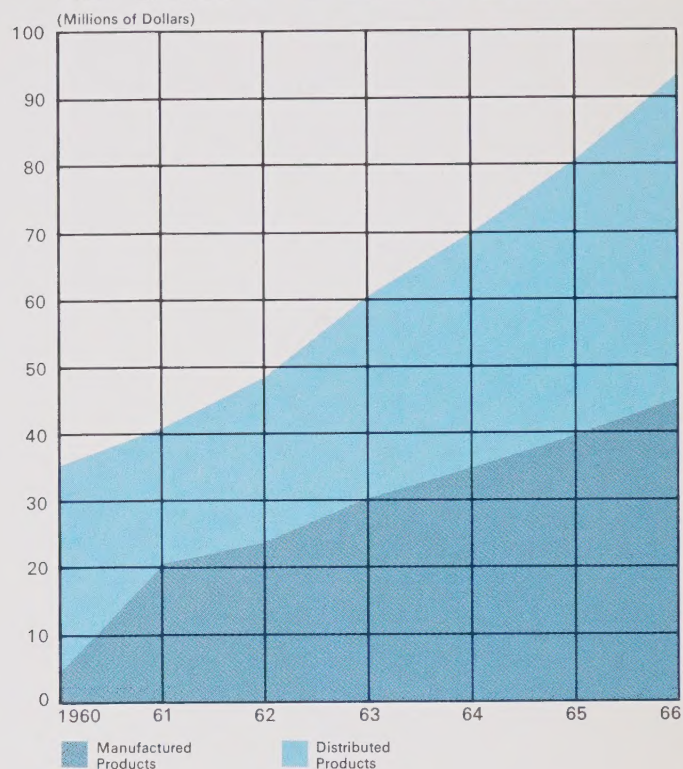
ROBERT MORSE CORPORATION LIMITED



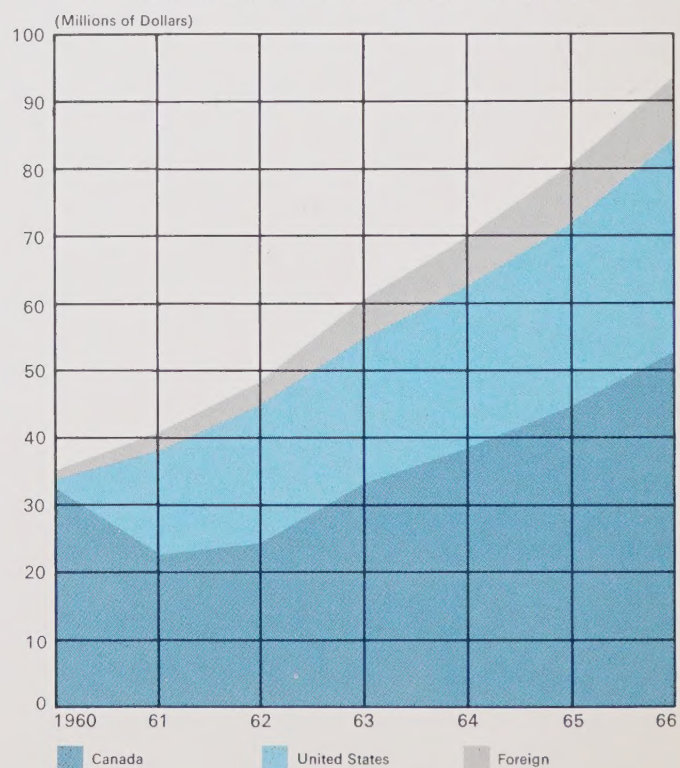
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NET SALES BY CLASS OF BUSINESS



NET SALES BY PRINCIPAL MARKETS





**ROBERT MORSE CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

SUMMARY

	1966	1965	% Change
Orders Booked	\$97,536,000	\$86,904,000	+ 12.2
Net Sales	93,280,396	80,359,067	+ 16.1
Backlog	29,371,000	25,115,000	+ 16.9
Income before Taxes	3,577,019	2,558,454	+ 39.8
Income Taxes	1,632,620	1,011,224	+ 61.4
Net Income	1,944,399	1,547,230	+ 25.7
Earnings per Class A Share	2.35	2.05	
Earnings per Class B Share	2.25	1.95	
Depreciation	619,504	602,399	+ 2.8
Working Capital	14,350,864	11,724,358	+ 22.4
Total Assets	48,990,042	41,004,619	+ 19.5
Shareholders' Equity	13,635,714	8,999,350	+ 51.5

*Left to Right : C. M. Tétrault, R. Smillie,
G. S. Carpenter, R. H. Morse, III,
J. E. McQuilkin*



BOARD OF DIRECTORS

L. Philippe Beaulieu — *Vice President — Engineering Sales Division, Montreal*
 Henry G. Birks — *President, Henry Birks & Sons Ltd., Montreal*
 Joseph M. Breen — *Chairman, Canada Cement Co. Ltd., Montreal*
 R. deWolfe MacKay, Q.C. — *Duquet, MacKay, Weldon, Bronstetter,
Willis & Johnston, Montreal*
 James E. McQuilkin — *Vice President — Finance, Montreal*
 Robert Morse, III — *President and General Manager, Montreal*
 Gérard Plourde — *President, United Auto Parts Inc., Montreal*
 Hubert T. Richardson — *President, Richardson Corporation, Clifton, New Jersey*
 John M. Rudel — *Vice President — Rudel Industrial Division, Montreal*
 Robert Smillie — *Senior Vice President — Corporate Development, Montreal*
 L. Allan Weom — *President, Johnston Pump Company, Pasadena, California*

CORPORATE OFFICERS

Robert Morse, III — *President and General Manager*
 Raymond B. Carey, Jr. — *Group Vice President*
 James E. McQuilkin — *Vice President — Finance*
 Robert Smillie — *Senior Vice President — Corporate Development*
 Claude M. Tétrault — *Vice President — General Counsel and Secretary*
 G. Samuel Carpenter — *Comptroller and Assistant Secretary*

EXECUTIVE OFFICES

1155 Dorchester Boulevard w. — Montreal

BANKERS

Bank of Montreal
 The Royal Bank of Canada
 The First National City Bank of New York
 New Jersey Bank and Trust Company
 Continental Illinois National Bank and Trust Company of Chicago

AUDITORS

Price Waterhouse & Co., Montreal

TRANSFER AGENTS

The Royal Trust Company
 The First National Bank of Chicago



TO OUR
SHAREHOLDERS:

EARNINGS AND DIVIDENDS

Further new records were established in 1966, as the Company continued to progress in accordance with its long-range program for growth in sales and profitability. Consolidated net income for the year rose by 26% to \$1,944,000, equivalent, after preferred dividends, to \$2.35 per Class A and \$2.25 per Class B share (\$2.05 and \$1.95, respectively, in 1965). Cash flow (net profit plus depreciation) amounted to \$2,564,000 compared to \$2,150,000 in the previous year.

Consolidated income before taxes at \$3,577,000 was almost 40% higher than in 1965. Approximately 80% of this increase resulted from improved operating profit, the remainder being due to lower interest charges resulting from the issue during 1966 of the 5½% Series A Preferred shares. Consolidated income taxes in 1966 amounted to \$1,633,000, compared to \$1,011,000 a year earlier. The effective tax rate was 46% on 1966 consolidated income as opposed to 40% in 1965.

The quarterly dividends on the Class A and B shares were increased to 22½¢ and 20¢, respectively, (equivalent to 90¢ and 80¢ on an annual basis) effective with the September 1, 1966 payments. In addition to the initial dividend of 35¢ per share, regular quarterly dividends of 68¾¢ were paid on the 5½% Preferred shares for the two full quarters subsequent to issue. The current dividend rates for the three classes of stock represent a payout of \$887,000 on an annual basis.

SALES

The Company experienced increased demand for its products in North America throughout the year despite the tight credit conditions which prevailed. Consolidated sales again set a record in 1966 at \$93,280,000, up 16% from \$80,359,000 in 1965. Orders booked amounted to \$97,536,000 compared with \$86,904,000 in the previous year. The Company entered 1967 with an order backlog of \$29,371,000, 17% higher than a year earlier. The sales charts at the beginning of this report and on Page 11 illustrate the growth trend established in recent years and the pattern of increasing diversification in operations.

CANADIAN OPERATIONS

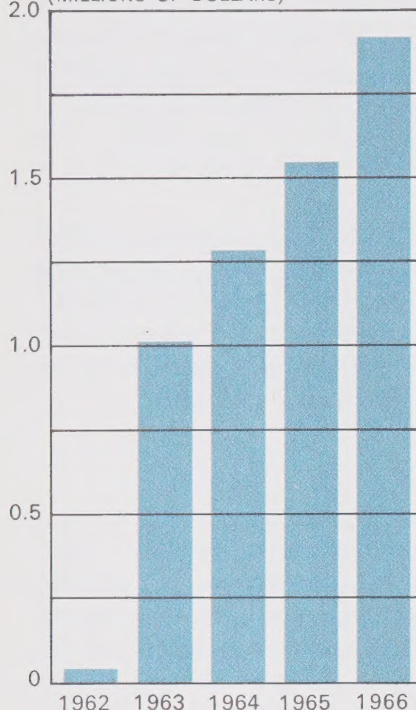
Sales of the Rudel Industrial Division in 1966 surpassed all previous records. The demand for machine tools was extremely heavy and resulted in extended delivery times during the year and a higher backlog of unfilled orders at the year end. Increased penetration of the market was realized particularly by automatic tape controlled machine tools. These machine tools increase production efficiency, reduce down time and have a high degree of accuracy with complete repeatability of operation. The important equipment and supply business maintained its steady growth in sales and earnings, and is expected to continue to expand with the growing Canadian market.

The growth curve of the Materials Handling and Logging Equipment Division continued to rise sharply in 1966. The substantially increased volume has been due primarily to the specialization in high quality products suitable for the Canadian market and to the development of a national service organization. Our sales of Tree Farmers grew at a high rate in conjunction with the progressing mechanization of woodlands operations and the market development of the Sund Tree Processing System continued. This division, which distributes Cushman personnel carriers, is supplying more than one hundred vehicles for personnel and maintenance services at Expo 67. The divisional headquarters were moved into a new building in Pointe Claire, on the Trans-Canada Highway.

The Canadian Scale Division completed the most successful year in its history. Profits increased considerably as a result of firmer selling prices and improved

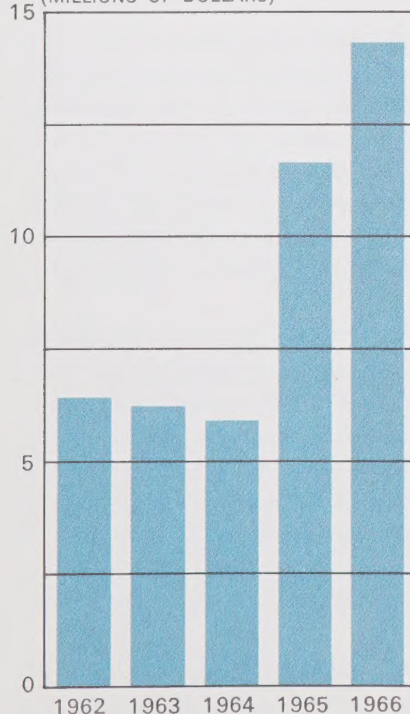
NET INCOME

(MILLIONS OF DOLLARS)



WORKING CAPITAL

(MILLIONS OF DOLLARS)



operating efficiencies. Heavy duty industrial scale manufacturing continued at a high level, particularly in railway track and motor truck scales. In addition, the sales of process control systems continued to grow, and solid state circuitry was successfully applied in the design of various electronic systems.

Sales of the Engineering Sales Division were down moderately from the previous year, as the gains made in marine and pump business were offset by lower activity in other segments. We will know later in the year whether the option to purchase the major parts of the marine activity will be exercised.

During 1966 a new generating set production and testing facility was completed in Montreal. As a further development of this area of our business, Mackey Automation and Controls Ltd., a small manufacturer of control panels and systems, was acquired.

HOWE RICHARDSON SCALE COMPANY

Howe Richardson Scale Company sales continued to improve in 1966, and earnings were significantly greater than in the previous year. Engineering was completed in 1966 and manufacturing begun, on four solid state electronic rubber proportioning systems for three plants of a major tire manufacturer. Systems were also sold during the year to a variety of industries, including plastics, food, milling, abrasives, ceramics and steel. Sales of industrial and motor truck scales increased considerably during the year due to improved market coverage. A three-year contract with the union representing the majority of employees at the Rutland plant was amicably concluded early in 1967.

JOHNSTON PUMP COMPANY

Johnston Pump Company continued its fine growth pattern during 1966 with sales more than double those of 1960, the year prior to acquisition by this Company. New records were again set for incoming orders, shipments and backlog. At the beginning of 1967 prospects appeared favourable for the same continued progress. In August 1966, a three-year labor agreement was concluded with the union representing the Johnston Pump employees.

On August 1 ground was broken for the new plant which will be located in Glendora, California, eighteen miles from the present site. It is expected that all the operations at Pasadena will be moved to the new location in the late spring of 1967. The new facilities will be more than 50% larger and will contain one of the largest test laboratories of its kind in the United States, with the capacity to test pumps under operating conditions up to 200,000 gallons per minute.

FOREIGN OPERATIONS

Howe Richardson of England achieved record sales and profit during 1966. A large proportion of this Company's revenues are derived from export markets, and during 1966 sales were made in Continental Europe, India and Japan. The small South African operation realized higher volume and profit through increased sales of process control equipment and systems to the food and chemical industries.

In 1966 Richardson Scale Company (France) maintained about the same level of activity as in the previous year, but due to sizeable orders obtained early in 1967, the backlog is now one of the largest in its history.

The Australian and Mexican companies incurred losses of significant proportions in relation to their modest size. Management action has been taken to correct both situations, and it is expected that considerably improved performance will result in 1967.



FINANCIAL

As previously reported, an issue of 5½% Cumulative Redeemable Convertible Preferred Shares, Series A, was sold to the public in 1966. The net proceeds of \$3,438,000 were applied to the reduction of short-term bank loans.

The new Johnston Pump plant will be permanently financed with a \$1,500,000 (U.S. funds) 6½% twenty-year mortgage loan which has already been negotiated. At December 31, 1966 the investment in this plant amounted to \$1,395,000, which was largely financed by a short-term bank loan, and as a result working capital has been temporarily reduced by this amount. The proceeds from the disposition of the Pasadena property are expected to defray the remainder of the cost of the new plant and provide additional working capital.

Consolidated working capital increased during the year by \$2,627,000 to \$14,351,000 at year end. However, since the permanent financing arrangements for the new plant had already been made, working capital at December 31, 1966 was effectively \$15,746,000.

MANAGEMENT

The increasing size and broadening scope of the Company's activities present from time to time a changing requirement for top management organization structure in order to achieve optimum results. A study in depth of the management organization was completed in 1966, and resulted in several changes and additions.

Mr. Robert Smillie was appointed Senior Vice President — Corporate Development and a director of the Company. Mr. Smillie, who brings many years of management experience to the Company, is responsible for the future development of the Company's long-term growth and diversification program.

Mr. Raymond B. Carey, Jr. was appointed Group Vice President of the Company and President of Howe Richardson Scale Company. In addition to the U.S. and Canadian scale operations, Mr. Carey is responsible for the operations of the subsidiaries in England, France, South Africa and Australia.

Mr. Walter M. Young, formerly Vice President — Marketing, has been appointed Executive Vice President, Howe Richardson Scale Company. Mr. John Mapel, formerly Vice President — Marketing and Mr. George Fee were appointed Senior Vice President and Vice President — Manufacturing, respectively, of Johnston Pump Company. Mr. Salvador Madero, Jr. was appointed Executive Vice President and General Manager of Johnston Howe de Mexico.

OUTLOOK

Industry is steadily acquiring more automated machinery and equipment in order to increase productivity and reduce the cost of labor content in finished products. Over fifty per cent of our sales of manufactured and distributed products are in this field. Thus, management expects a continuing growth of most of the Company's present business activities, supplemented from time to time by appropriate acquisitions.

In the current year new orders received are ahead of last year and it appears at this early stage that most of the operating divisions should have equal or higher profit in 1967 than last year.

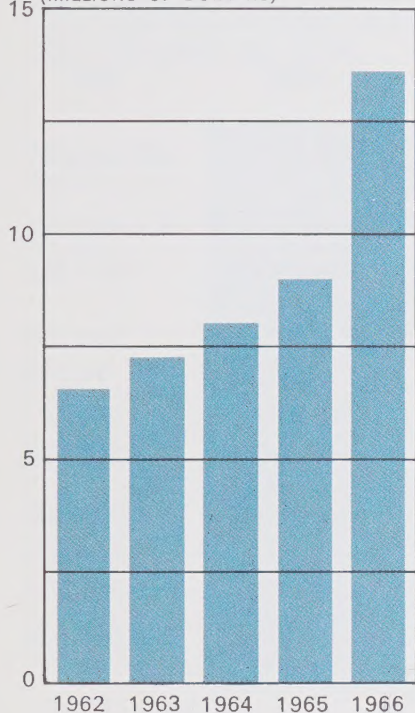
We are deeply appreciative of the contributions of the men and women associated with our Company. The fine results achieved reflect their skills, efforts and loyalty.

On behalf of the Board of Directors,

President and General Manager

SHAREHOLDERS' EQUITY

(MILLIONS OF DOLLARS)



**ROBERT MORSE CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

**STATEMENT OF CONSOLIDATED INCOME
FOR THE YEAR ENDED DECEMBER 31, 1966**

	1966	1965
Net sales	\$93,280,396	\$80,359,067
Income from operations for the year, before the undernoted items	\$ 5,545,649	\$ 4,453,211
Depreciation	619,504	602,399
Directors' fees and remuneration of salaried directors	317,833	296,700
Minority interest	(58,825)	(34,338)
	878,512	864,761
Income before interest and taxes	4,667,137	3,588,450
Interest expense (including \$431,559 on long-term debt)	1,090,118	1,029,996
Income before taxes	3,577,019	2,558,454
Income taxes	1,632,620	1,011,224
Income for the year	\$ 1,944,399	\$ 1,547,230

STATEMENT OF CONSOLIDATED RETAINED EARNINGS

Balance at beginning of year	\$ 6,838,432	\$ 6,035,372
Income for the year	1,944,399	1,547,230
	8,782,831	7,582,602
Less: Underwriting commission on issue of preferred shares	162,000	—
Premium on shares of a subsidiary, written off	203,812	212,854
	365,812	212,854
	8,417,019	7,369,748
Dividends:		
Preferred shares — \$1.72½	124,200	—
Class A shares — \$0.85 (\$0.72½ in 1965)	452,305	374,944
Class B shares — \$0.75 (\$0.62½ in 1965)	190,601	156,372
	767,106	531,316
Balance at end of year	\$ 7,649,913	\$ 6,838,432

(The accompanying Notes to Financial Statements are an integral part hereof)



**ROBERT MORSE CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 1966

	1966	1965
CURRENT ASSETS:		
Cash	\$ 780,255	\$ 1,519,617
Accounts and notes receivable	19,392,263	16,816,596
Inventories (Note 2)	21,937,274	17,074,528
Prepaid expenses	481,342	530,852
	<u>42,591,134</u>	<u>35,941,593</u>
CURRENT LIABILITIES:		
Bank indebtedness (secured \$1,917,561)	9,314,399	8,008,483
Notes payable	3,129,259	2,738,299
Trade and other accounts payable	12,906,718	10,699,059
Income and other taxes	1,750,746	974,491
Instalments on long-term debt (Note 3)	627,946	586,400
Customers' deposits on contracts	511,202	1,210,503
	<u>28,240,270</u>	<u>24,217,235</u>
WORKING CAPITAL	<u>14,350,864</u>	<u>11,724,358</u>
FIXED ASSETS, at cost:		
Land	376,432	449,241
Buildings	1,574,972	1,424,817
Plant and equipment	6,225,382	5,667,682
	<u>8,176,786</u>	<u>7,541,740</u>
Less: Accumulated depreciation	3,960,741	3,393,799
	<u>4,216,045</u>	<u>4,147,941</u>
Plant under construction	1,394,777	—
	<u>5,610,822</u>	<u>4,147,941</u>
PREMIUM ON SHARES OF SUBSIDIARIES (at cost, less amounts written off)	788,086	915,085
	<u>20,749,772</u>	<u>16,787,384</u>
LONG-TERM DEBT (Note 3)	6,941,013	7,555,715
	<u>13,808,759</u>	<u>9,231,669</u>
MINORITY INTEREST IN SUBSIDIARIES	173,045	232,319
SHAREHOLDERS' EQUITY	<u>\$13,635,714</u>	<u>\$ 8,999,350</u>
REPRESENTED BY:		
Capital stock (Note 4)	\$ 5,985,801	\$ 2,160,918
Retained earnings (statement attached)	7,649,913	6,838,432
	<u>\$13,635,714</u>	<u>\$ 8,999,350</u>

Signed on behalf of the Board:

R. H. MORSE, III, Director J. E. McQUILKIN, Director

(The accompanying Notes to Financial Statements are an integral part hereof)

**ROBERT MORSE CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

**STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1966**

Consolidated working capital at beginning of year		\$11,724,358
Funds provided —		
From operations:		
Income for the year	\$1,944,399	
Depreciation	619,504	2,563,903
Issue of capital stock:		
Preferred shares	3,600,000	
Less: Underwriting commission	162,000	
	3,438,000	
Class A and B shares	224,883	3,662,883
		17,951,144
Funds applied —		
Additions to fixed assets — net	2,082,385	
Reduction of long-term debt	614,702	
Dividends paid	767,106	
Other	136,087	3,600,280
Consolidated working capital at end of year		<u>\$14,350,864</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — DECEMBER 31, 1966

1 BASIS OF CONSOLIDATION:

The consolidated financial statements include the accounts of Robert Morse Corporation Limited and those of all of its subsidiary companies.

Accounts of subsidiaries expressed in currencies other than Canadian have been translated into Canadian dollars at rates of exchange current at December 31, 1966 except (a) fixed assets, long-term liabilities and depreciation provision, at rates prevailing at dates of acquisition or issue and (b) income and expenses (other than depreciation) at the average rates of exchange in effect during the year.

2 INVENTORIES:

The inventories are valued at the lower of cost or market and comprise:

	1966	1965
Finished products, manufactured or purchased	\$14,973,971	\$11,005,572
Work-in-process	3,989,566	3,326,507
Raw materials and supplies	2,973,737	2,742,449
	\$21,937,274	\$17,074,528

3 LONG-TERM DEBT:

Note* payable in semiannual instalments of US\$91,386 to 1990 (effective interest rate 5.15%)	\$ 2,825,531	\$ 2,888,003
Note* payable in semiannual instalments of US\$126,183 to 1975 (effective interest rate 5.15%)	1,979,244	2,151,140
6% Subordinated Debentures* US\$1,500,000 due in 1971	1,570,305	1,570,305
6% Mortgage loan* payable monthly to 1969	424,445	548,357
6% Subordinated Serial Notes* payable US\$68,893 annually to 1972	363,167	434,669
Other term obligations, payable over periods varying from one to seven years	406,267	549,641
	7,568,959	8,142,115
Less: Amounts due within one year, included with current liabilities	627,946	586,400
	\$ 6,941,013	\$ 7,555,715

*Debentures, loans and notes secured by collateral mortgages or trust deed against fixed assets.



4 CAPITAL STOCK:

	NUMBER OF SHARES		AMOUNT AT WHICH ISSUED
	AUTHORIZED	ISSUED AND OUTSTANDING	
Preferred shares of the par value of \$50 each, issuable in series —	200,000		
5½% Cumulative Redeemable Convertible Preferred Shares, Series A		72,000	\$3,600,000
Shares without nominal or par value —			
Class A shares	4,000,000	539,182	2,385,801
Class B shares	2,000,000	254,135	
			<u>\$5,985,801</u>

The Class A shares are entitled to a cumulative annual dividend of 70¢ per share and to participate equally in further amounts per share after payment of a non-cumulative annual dividend of 60¢ per share on Class B shares.

In 1966, the authorized capital stock of the Company was increased by the creation of 200,000 Preferred shares of the par value of \$50 each, issuable in series of which 72,000 shares were designated 5½% Cumulative Redeemable Convertible Preferred Shares, Series A, and were issued at par for cash. The conversion privilege attaching to these shares entitles the holders thereof to convert each Preferred share at any time into 2½ Class A shares upon payment to the Company of \$7.50 for each Preferred share converted. Accordingly, 180,000 Class A shares have been reserved for the exercise of this conversion privilege.

During the year, pursuant to options granted in prior years, 6,100 Class A shares and 1,800 Class B shares were issued to optionees for an aggregate cash consideration of \$80,883. Following such issue there remained outstanding at December 31, 1966 an option to an officer of a subsidiary company to purchase 2,500 Class A shares at US\$10 per share exercisable to April 30, 1967.

Pursuant to the provisions of a Stock Purchase Plan established in 1966, the Company authorized the granting of rights to two officers of the Company to purchase an aggregate of 15,000 Class A shares (of an aggregate of 25,000 Class A or Class B shares authorized by the Plan) at \$18 per share. As authorized by the Plan, the Company provided to Trustees appointed under the Plan the sum of \$270,000 to acquire the Class A shares necessary to satisfy the rights so granted and exercised. Of the 15,000 Class A shares so acquired, 8,000 fully paid shares were issued by the Company.

Shares have been reserved with respect to a warrant issued in January 1962, as part consideration for the purchase of certain net assets, exercisable to December 31, 1971 for the purchase of up to 150,000 Class A shares of stock of the Company at a price of US\$10 per share. The shares may be paid for in cash or by the surrender of an equivalent amount of 6% subordinated debentures outstanding.

5 COMMITMENTS AND CONTINGENCIES:

- (a) For conditional sales contracts discounted \$4,041,000 and guarantees \$102,000.
- (b) For lease rentals aggregating \$611,000 annually, the major portion being for periods extending from three to twenty years.
- (c) For capital expenditures \$875,000.

AUDITORS' REPORT

TO THE SHAREHOLDERS OF ROBERT MORSE CORPORATION LIMITED:

We have examined the consolidated statement of financial position of Robert Morse Corporation Limited and subsidiary companies as at December 31, 1966 and the statements of consolidated income, consolidated retained earnings and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the companies as at December 31, 1966 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PRICE WATERHOUSE & CO.
Chartered Accountants.

Montreal, February 21, 1967

**ROBERT MORSE CORPORATION LIMITED
AND SUBSIDIARY COMPANIES**

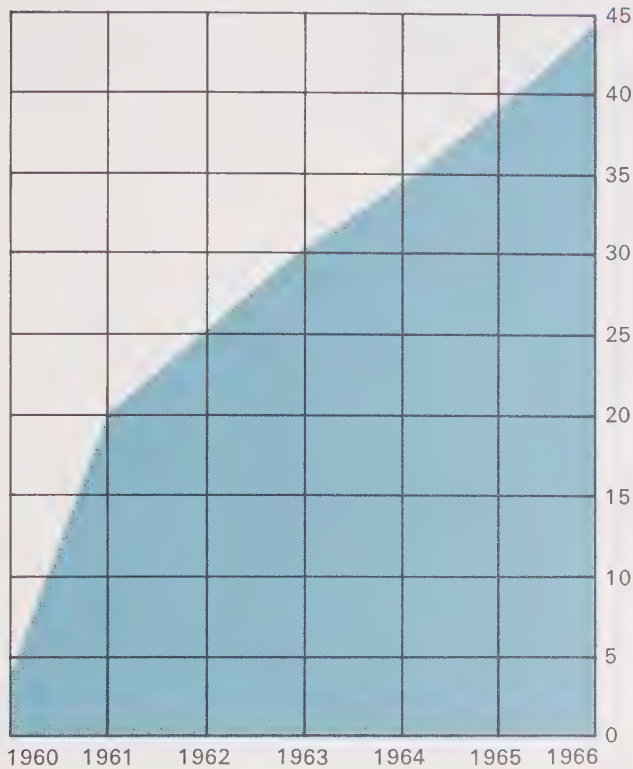
FIVE-YEAR REVIEW

	1966	1965	1964	1963	1962
OPERATING RESULTS					
Net Sales	\$93,280,000	\$80,359,000	\$69,422,000	\$60,114,000	\$50,408,000
Income before Taxes	3,577,000	2,558,000	1,618,000	1,138,000	(98,000)
Income Taxes	1,633,000	1,011,000	336,000	136,000	(121,000)
Net Income	1,944,000	1,547,000	1,282,000	1,002,000	23,000
Preferred Share Dividends	124,000	—	—	—	—
Class A & B Share Dividends	643,000	531,000	624,000	200,000	275,000
Depreciation	620,000	602,000	596,000	539,000	488,000
Cash Flow	2,564,000	2,150,000	1,878,000	1,541,000	511,000
FINANCIAL POSITION					
Working Capital	14,351,000	11,724,000	6,098,000	6,293,000	6,428,000
Total Assets	48,990,000	41,005,000	36,511,000	30,377,000	25,842,000
Long-Term Debt	6,941,000	7,556,000	2,990,000	3,522,000	3,539,000
Shareholders' Equity	13,636,000	8,999,000	8,062,000	7,330,000	6,528,000
SHAREHOLDER INFORMATION					
Per Share					
Earnings — Class A	2.35	2.05	1.73	1.37	0.05
— Class B	2.25	1.95	1.63	1.27	—
Dividends — Preferred	1.72½	—	—	—	—
— Class A	0.85	0.72½	1.22½	0.40	0.47½
— Class B	0.75	0.62½	—	—	0.15
Shareholders' Equity — Class A and B	12.65	11.58	10.55	9.79	8.72
Average Shares Outstanding					
Class A	531,000	517,000	506,000	499,000	499,000
Class B	254,000	250,000	250,000	250,000	250,000

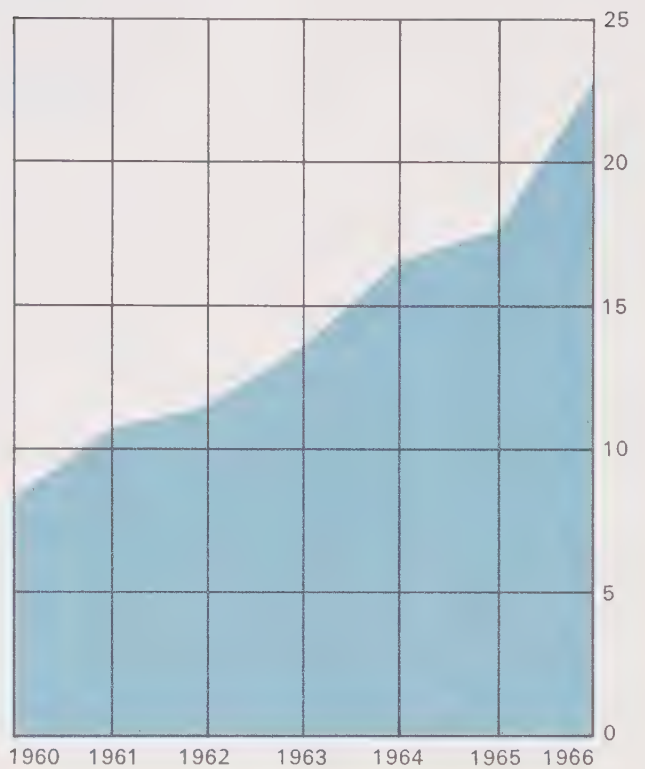
SALES BY PRODUCT GROUP

(Millions of Dollars)

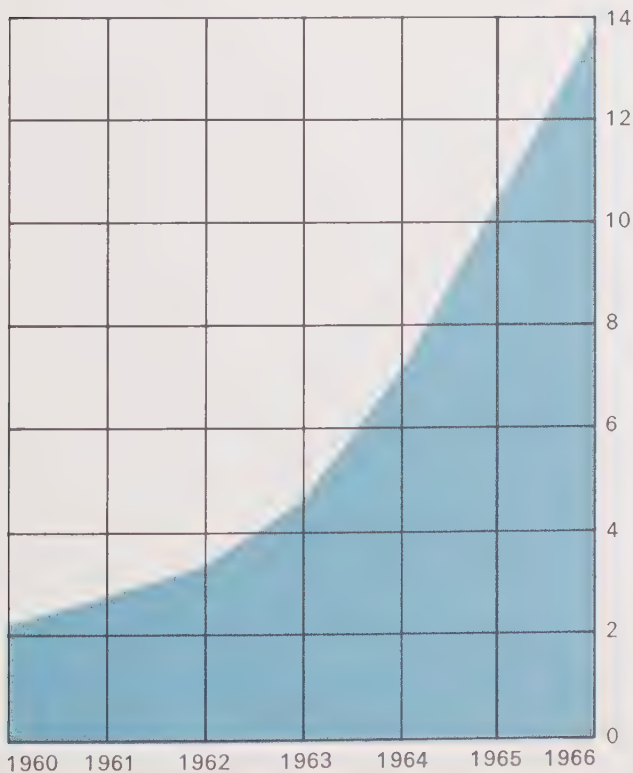
**MANUFACTURED SCALES,
PROCESS CONTROL EQUIPMENT
AND PUMPS**



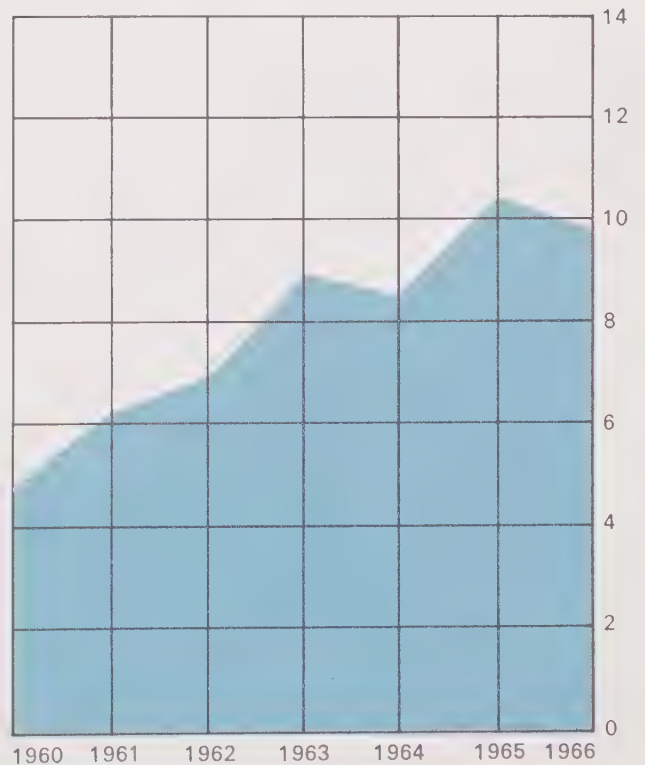
**MACHINE TOOLS, INDUSTRIAL
SUPPLIES AND EQUIPMENT**



**MATERIALS HANDLING, LOGGING
AND CONSTRUCTION EQUIPMENT**



**MARINE PROPULSION UNITS,
GENERATING SETS AND
WATER SYSTEMS**





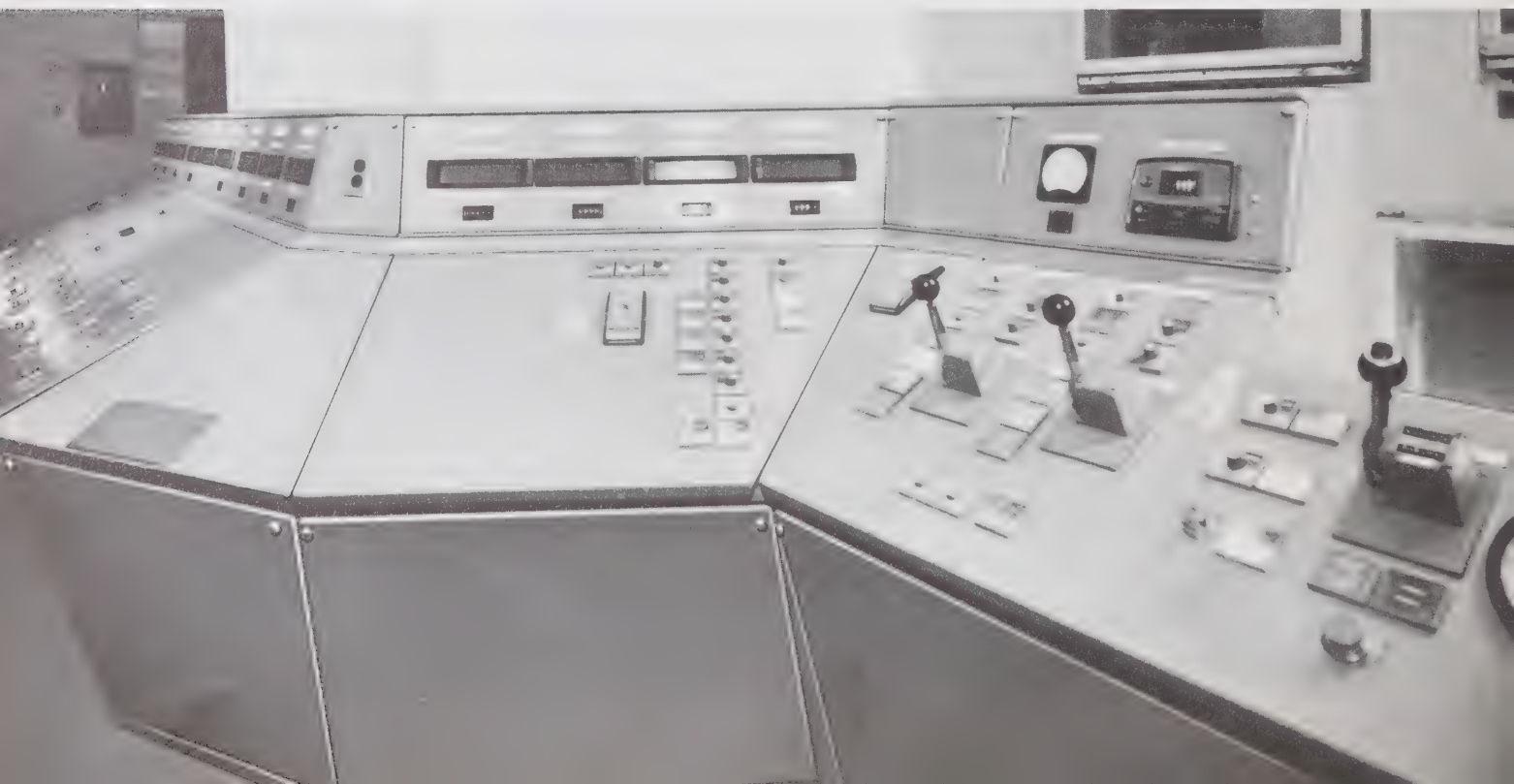
Left to Right: W. M. Young, R. B. Carey, Jr. photographed beside a numerically controlled machine tool recently installed at the Clifton Plant.



HOWE RICHARDSON SCALE COMPANY

Howe Richardson is the largest manufacturer and a leader in the development of automatic batching and weighing equipment systems. Its proportioning units include automatic process control and batching systems sold to leading companies in all formulated products industries. Its diversified lines of static weighing equipment for light industrial uses include portable, bench and self-contained floor scales with capacities of up to 8,000 pounds. Heavy industrial scales for motor trucks, railway cars and bulk weighing purposes are manufactured with capacities ranging from 500 pounds to 1,000,000 pounds. The Company's service and parts organization is national in scope.

The control console for a Basic Oxygen Steel Furnace shown in operation on the cover and below is one of two supplied by Howe Richardson Scale Company with related scales to a major steel producer in the Pittsburgh, Pa. area. The proportioning for the BOF process, in addition to furnace tilting, temperature and weight regulation, is controlled by the operator through these panels.





ORGANIZATION

HOWE RICHARDSON SCALE COMPANY, Clifton, New Jersey
Raymond B. Carey, Jr. — *President and General Manager; Group Vice President, Robert Morse Corporation*

Walter M. Young — *Executive Vice President*

Arthur J. Burke — *Vice President — Engineering*

Russell J. Pederson — *Vice President — Finance*

John G. Fenton — *Senior Vice President*

Joseph Giner — *Vice President — Sales*

William L. Hamilton — *Vice President*

John W. Aquadro — *Vice President — Systems Division*

William Haacker — *Secretary and Treasurer*

CANADIAN SCALE DIVISION, Montreal

Fred J. Benoit — *General Manager*

HOWE RICHARDSON SCALE CO. LIMITED, Nottingham, England

T. Alan Shore — *Managing Director*

HOWE RICHARDSON SCALE (AFRICA) (PROPRIETARY) LTD.,

Johannesburg, South Africa

George Oliver — *Managing Director*

RICHARDSON SCALE COMPANY (FRANCE) S.A., Paris, France

Alphonse Dingemans — *President and Managing Director*

HOWE RICHARDSON SCALE CO. PTY. LIMITED, Broadmeadow, Australia

John A. Uhrig — *Managing Director*

PRODUCTS

Process control systems

Railroad track and motor vehicle scales

Industrial floor, portable, bench and overhead track scales

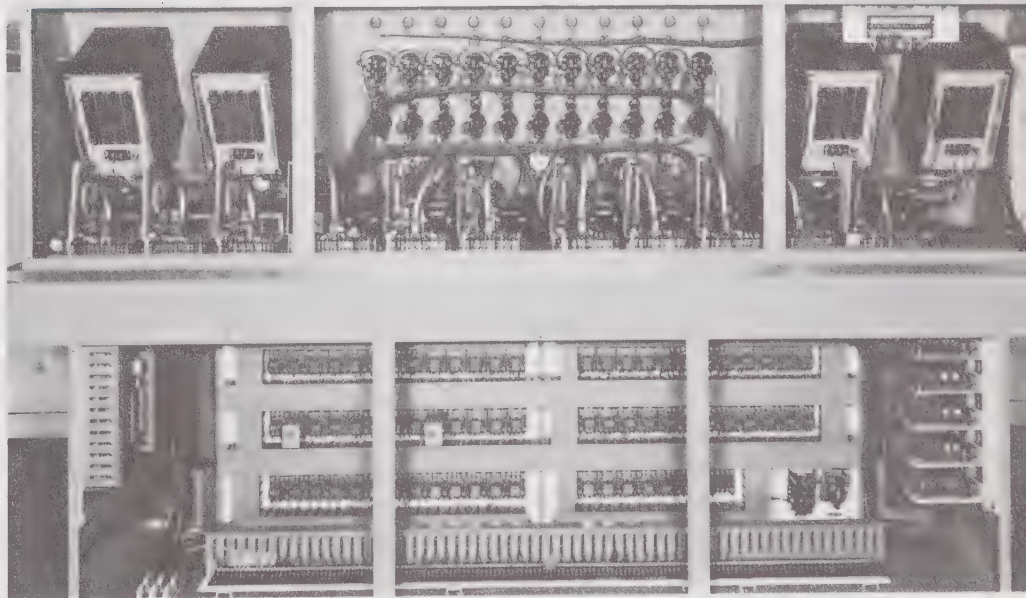
Electronic and mechanical scales for bulk weighing of liquids and materials

Packaging equipment

Electronic and mechanical scale indicator devices



F. J. Benoit photographed beside a solid state weight conversion unit developed in Canada for use with another Canadian development — the Magnaprint System.



An automatic punch card batching system for mass concrete pouring is operating at a major dam site in northern B.C. This system, designed by the Canadian Scale Division, has a capacity of 300 cubic yards per hour. Shown is the programming and sensing control circuitry in the interior of the panel.



JOHNSTON PUMP COMPANY



*Left to Right : G. C. Fee,
J. R. Mapel and L. A. Weom
inspecting a recently completed
42-inch propeller pump
bowl assembly.*

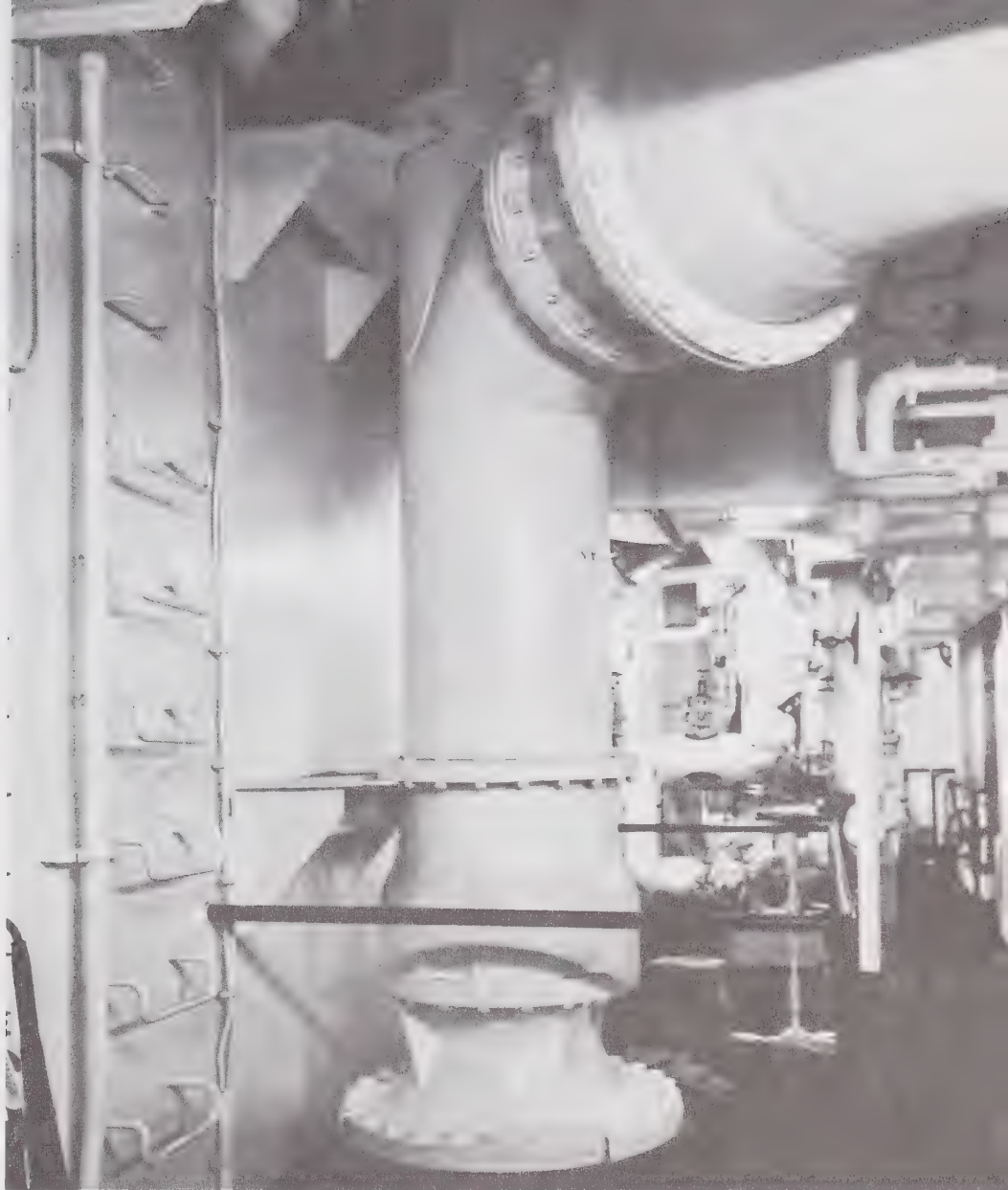
Johnston Pump Company is one of the world's leading manufacturers of vertical turbine and propeller pumps. Its range of vertical pumps varies in size from 4" to 72" in diameter and in capacity from 10 to 200,000 U.S. gallons per minute. These products are used in moving liquids in many fields, but principally in industrial, municipal and irrigation projects. In addition to stock items, Johnston's engineering staff designs custom pumps to meet the specific requirements of customers.

Johnston recently introduced a high pressure pump for use in water flooding secondary recovery operations. One such application is shown on the cover of the report. Each of the four vertical turbine pumps is injecting sea water underground at the rate of 1200 gallons per minute. This application is part of an oil producing field secondary recovery system operated by a large California oil company.

The new Johnston Pump plant in California, illustrated on the cover, will have approximately 108,000 square feet of manufacturing and office facilities. The Test Laboratory shown here under construction will permit several pumps to be tested simultaneously thus providing considerably more rapid test procedures and flexibility of lab operation than hitherto possible. The lab will be capable of testing pumps up to 2,000 H.P. and 200,000 G.P.M.



This is one of eight Johnston mixed flow circulator pumps installed aboard combination passenger and cargo ships in the U.S. These pumps deliver 18,000 gallons per minute of sea water for cooling the main propulsion boiler condensers.



ORGANIZATION

JOHNSTON PUMP COMPANY, Pasadena, California

L. Allan Weom — *President and General Manager*;

Vice President, Robert Morse Corporation

John R. Mapel — *Senior Vice President*

Perry H. Brown — *Vice President — Engineering*

George C. Fee — *Vice President — Manufacturing*

Paul E. Barnhart — *Controller and Secretary*

JOHNSTON HOWE DE MEXICO S.A. DE C.V., Mexico City, Mexico

Salvador Madero, Jr. — *Executive Vice President and General Manager*

PRODUCTS

High Lift Vertical Turbine Pumps — 4" through 64" in diameter

Medium Lift Vertical Mixed Flow Pumps — 16" through 54" in diameter

Low Lift Vertical Propeller Pumps — 8" through 72" in diameter



H. E. Humber pictured beside a G51 Lift Truck with a lifting capacity of 6,000 lbs.



MATERIALS HANDLING AND LOGGING EQUIPMENT DIVISION

The Materials Handling and Logging Equipment Division is one of the largest Canadian distributors of fork lift trucks, mobile cranes, personnel carriers, front-end loaders and other materials handling equipment. In addition, the division distributes equipment for use in the mechanization of woodlands operations. The Tree Farmer, pictured on the cover, is a skidder specially designed to remove felled trees from the woods to central depots. The mobile Sund Tree Processing System mechanically delimbs, slashes and sorts trees at central depots. Division sales are supported by a national service organization.

ORGANIZATION

MATERIALS HANDLING AND LOGGING EQUIPMENT DIVISION, Montreal
Howard E. Humber — *Vice President*

PRODUCTS

Yale Lift Trucks
Namco Lift Trucks
Garrett Tree Farmer
Sund Tree Processing System
Melroe Bobcat, 1,000 lb. 4-wheel drive front-end loader
Volvo front-end loader
Drott Mobile Cranes and Hydraulic Back Hoes
Cushman Personnel Carriers and Golf Carts
Speed King Beltveyors

A Volvo front-end loader at work. Complete flexibility is achieved through a wide variety of attachments each of which can be changed in less than a minute.



A close up of the Sund Tree Processing Delimber in action. The delimber which utilizes eight cutters each driven by an electric motor can process trees up to 26 inches in diameter.





Left to Right:
J. H. Maclure and L. P. Beaulieu



ENGINEERING SALES DIVISION

The Engineering Sales Division is engaged in the design and installation of a complete line of marine diesel propulsion systems. It is also engaged in the manufacture and distribution of electrical generating sets and electronic control panels and in the distribution of pumps including the vertical turbine and propeller pumps manufactured by Johnston.

ORGANIZATION

ENGINEERING SALES DIVISION, Montreal

L. Philippe Beaulieu — *Vice President*

James H. Maclure — *General Manager*

DYNAMIC ENGINEERING LTD., Montreal

L. Philippe Beaulieu — *Vice President*

MACKEY AUTOMATION AND CONTROLS LTD., Montreal

Patrick J. Mackey — *Vice President and General Manager*

PRODUCTS

Johnston vertical turbine, mixed flow and propeller pumps

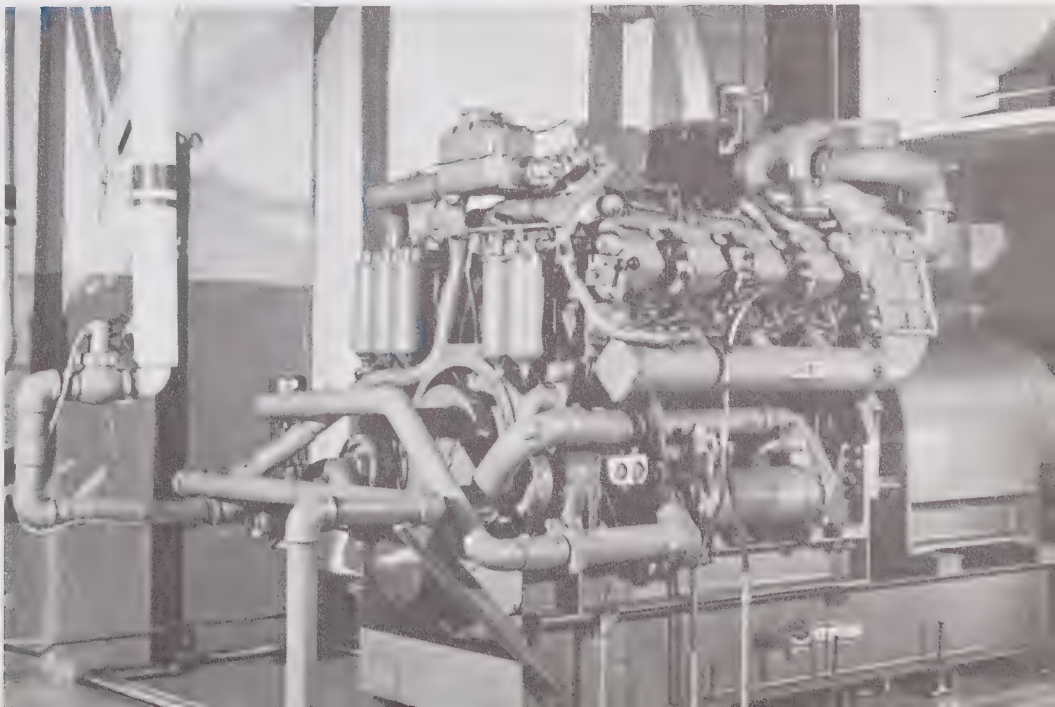
Centrifugal and reciprocating pumps

Stationary and marine diesel engines

Diesel, gas, gasoline and gas turbine generating sets

Generating set distribution and process control panels

This 400 KW fully automatic standby generating set has the capacity to carry the entire electrical load of the Department of Microbiology at the University of Montreal. Very close temperature control is a necessity for much of the research work and it is essential that a dependable unit take the complete load over automatically should a power failure occur.





*Left to Right :
M. S. Hayes and J. M. Rudel*



RUDEL INDUSTRIAL DIVISION

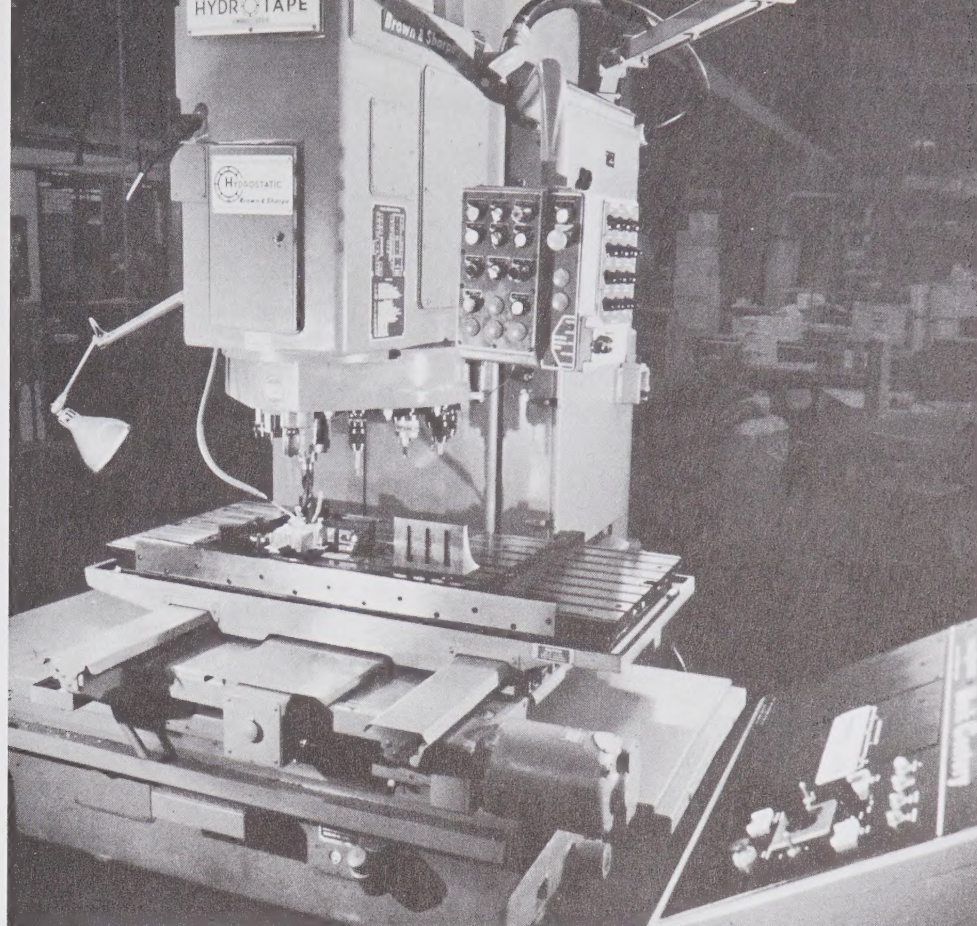
The Rudel Industrial Division distributes a broad line of machine tools and industrial equipment and supplies and handles on an agency basis certain lines of textile machinery. The machine tools range from small lathes to complex production machines and include automatic tape controlled units. Industrial equipment and supplies include such products as portable power tools, grinding wheels and abrasives, metal cutting tools, electric and hand hoists, air compressors and precision tools.

This Sundstrand OM-2 tape controlled multiple-operation machine, also shown on the cover, has the capacity to handle a broad range of machining operations requiring very close tolerances.

The automatic tool changer has a capacity of 39 tools and a capability within the tape program of 99,999 different tools. One of two installed at United Aircraft of Canada Limited at Longueuil, Quebec.



This numerically controlled Brown & Sharpe Hydrotape tool positioning machine which handles a variety of automated drilling, tapping, boring and milling operations is installed at CAE Industries Ltd. in Montreal.



ORGANIZATION

RUDEL INDUSTRIAL DIVISION, Montreal

John M. Rudel — *Vice President*

Meredith S. Hayes — *Vice President — Machinery*

PRODUCTS

Metal cutting and forming machine tools with numerical tape or conventional controls.

Super calenders, chilled iron rolls and swimming rolls

Pneumatic expansion cores

Calipers

Roll grinders

Testing machines, precision instruments

Gauging equipment and comparators

Textile and Woodworking Machinery and Supplies

Power tools, hoisting apparatus, air and hydraulic accessories, compressors and unit heaters and dryers, consumable cutting tools, abrasives and carbides as well as a complete line of machine shop and industrial supplies.

ROBERT MORSE APPLIANCES LIMITED, Edmonton, Alberta

William L. Foote — *Executive Vice President*

Robert Morse Appliances distributes a wide range of household appliances in Alberta and Saskatchewan.

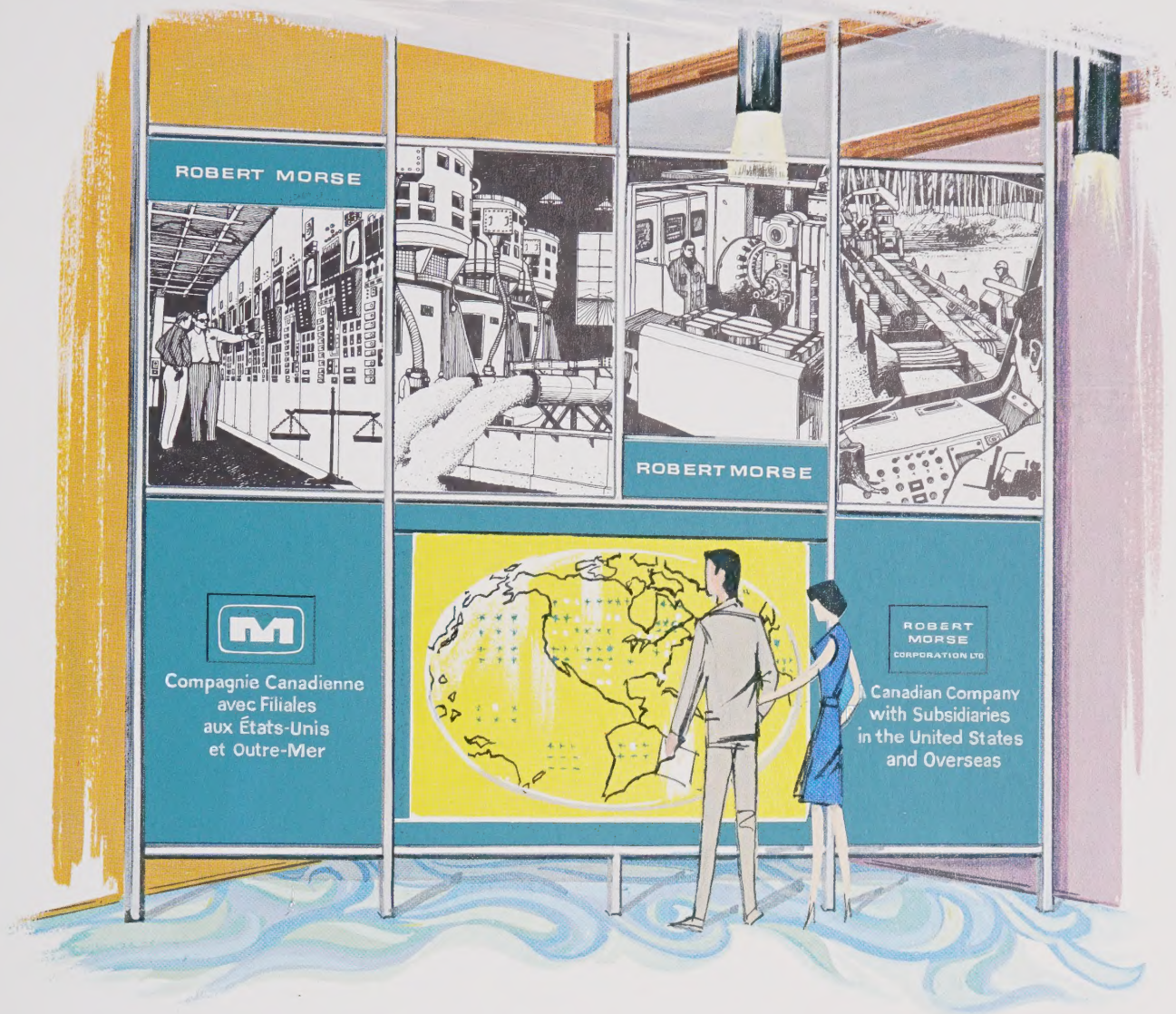
A CANADIAN COMPANY WITH U.S. AND OTHER FOREIGN SUBSIDIARIES



- Plants
- ▲ Sales Offices and Warehouses

PLANTS

- | | |
|-----------------------------|----------------------------|
| Montreal, Quebec | Southgate, California |
| Vancouver, British Columbia | Mexico City, Mexico |
| Clifton, New Jersey | Nottingham, England |
| Minneapolis, Minnesota | Paris, France |
| Pasadena, California | Broadmeadow, Australia |
| Rutland, Vermont | Johannesburg, South Africa |



EXPO '67

Illustrated is the Company's Exhibit which will be in the Pavilion of Quebec Industries at the Universal and International Exhibition of 1967 at Montreal. The theme emphasizes our Canadian ownership, diversification and international operations.

SALES OFFICES AND WAREHOUSES

Canada

Amos
Calgary
Chicoutimi
Edmonton
Fort William
Halifax
Hamilton
London
Montreal
Ottawa
Prince George

Quebec
Regina
St. Catharines
Saint John
St. John's
Saskatoon
Sydney
Toronto
Vancouver
Windsor
Winnipeg

U.S.A.

Albany
Atlanta
Baltimore
Birmingham
Boston
Buffalo
Charlotte
Chicago
Cincinnati
Cleveland
Clifton

Dallas
Denver
Des Moines
Detroit
Fresno
Goodland
Hartford
Houston
Idaho Falls
Jackson
Jacksonville

Kansas City
Los Angeles
Memphis
Milwaukee
Minneapolis
Moline
Newark
New Orleans
New York
Omaha
Philadelphia

Pittsburgh
Portland
Roswell
St. Louis
San Francisco
Seattle
Spokane
Tampa
Trenton

MANUFACTURERS OF:

Process control systems
Weighing equipment
Packaging equipment
Bulk handling equipment
Vertical irrigation and industrial pumps
Propeller and mixed flow pumps
Electric generating sets
Control panels

CANADIAN DISTRIBUTORS OF:

Machine tools and metal working machinery
Textile machinery
Materials handling equipment
Machinery for woodlands operations
Industrial equipment and supplies
Marine diesel propulsion installations
Industrial diesel engines



ROBERT MORSE CORPORATION LIMITED

